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STATE FOR PM/DTCC BLUE LANTERN COORDINATOR

E.O. 12958: N/A

TAGS: [KOMC](#) [ETTC](#) [CI](#)

SUBJECT: CHILE: BLUE LANTERN LEVEL THREE, POST CLEARS ON
APPLICATION 05-984045

REF: STATE 09494

¶1. Reftel requested a Blue Lantern Level Three pre-license end-use check on application 05-984045 for the export of two Bell UH1H helicopter engines to Chilean company Helicopteros del Pacifico.

¶2. Helicopteros del Pacifico (HdP) is a privately-owned company, incorporated August 10, 1990. HdP is located in Temuco, which is 417 miles from Santiago and a nine-hour drive from the Embassy. It is 98 percent owned by Carlos E Berrie, Chilean citizen, who acts as general manager. Berrie's wife owns the remaining two percent. HdP has fire-fighting contracts with two major forestry concerns, Forestal Mininco and Forestal Arauco, as well as with CONAF, the GOC's national forestry agency. HdP currently owns and operates six Bell UH1H helicopters; operates an additional three Bell UH1H helicopters owned by Inversiones Aereas Patagonia Limitada; and, as required, operates an additional eight Bell UH1H helicopters owned by Consorcio Patagonia del Pacifico. Berrie informed Poloff that four of the UH1H helicopters owned by HdP were purchased from the Federal Republic of Germany, but had never been "militarized." All of the remaining helicopters operated by HdP are demilitarized models purchased locally from other Chilean entities. Berrie said that in each case, the proper end-use transfer permissions had been sought and received from the U.S., with the possible exception of Bell UH1H 65-09858, tail number CC-CNM, purchased by HdP from Servicio Aereo Agricola Limitada in 2005. As of February 7, 2006, Berrie was attempting to verify whether Servicio Aereo Agricola Limitada had obtained transfer permission for this transfer.

¶3. All of the UH1H helicopters operated by HdP are registered and licensed as civilian aircraft. They are certified in a restricted category, authorized for external load operations, agricultural operations, forestry and wildlife conservation operations and fire patrolling. HdP helicopters are authorized only to carry personnel legitimately engaged in the above activities, and cannot be operated for commercial transportation or tourism. In firefighting operations they deploy fire crews and conduct water and flame retardant drops.

¶4. Berrie noted that the two engines identified in application 05-984045 are currently under impound in Miami Customs, apparently due to a mistake by the freight forwarding company. Berrie was conversant with the restrictions in regard to United States Munitions List (USML) items, noting that he was required to obtain transfer approval even when shipping engines back to the US for maintenance or overhaul.

¶5. Reftel also requested Post perform a site visit to assess the operations of Helicopteros del Pacifico and its on-site security. Poloff was not able to conduct a site visit, given

HdP's distance from Santiago and insufficient Post travel funds. However, Post finds that HdP is likely a reliable recipient of USML items. HdP appears to be a legitimate firefighting operation based out of Temuco, in mid-southern Chile. HdP is in the FCS database, and owner Berrie met with FCS at the Embassy in 1999. Berrie was very responsive to Post's requests for information, and speaks fluent English.

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